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Aqua Indiana, Inc.
8275 Allison Pointe Trail
Suite 375
Indianapolis, IN 46250

T: 317.577.1390
F: 317.577.1080
www.aquaindiana.com

March 1, 2007

Secretary
Indiana Utility Regulatory Commission
Indiana Government Center South
Room E-306
302 West Washington Street
Indianapolis, Indiana 46204

FILED

MAR 01 2007

**INDIANA UTILITY
REGULATORY COMMISSION**

Re: Small Utility Application for Rate Change – Wildwood Shores Utilities Corporation,
Morgan County, Indiana

Dear Commission Secretary:

Enclosed are an original and eight (8) copies of the materials constituting and supporting an application for a change in rates for Wildwood Shores Utilities Corporation (the “Utility”) pursuant to the provisions of Indiana Code 8-1-2-61.5 and 170 IAC 14-1. The Utility is an Indiana public utility providing rural sewer service to fewer than 5,000 customers. The Utility primarily provides retail service to customers and does not extensively serve another utility. Also, the Utility is not a not-for-profit utility, conservancy district or municipal utility and, accordingly, the provisions of 170 IAC 14-1-2(a)(5) and (6) are not applicable to its application.

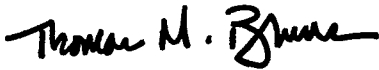
Among the enclosed materials are the following: (1) forms containing the financial and other data related to the requested change in rates; (2) a Facility Fact Sheet describing the Utility’s treatment facilities; (3) a copy of the Board Resolution authorizing the Utility’s application; (4) a schedule setting forth the calculation of a proposed Capacity Charge; (5) the form of a proposed Schedule of Rates and Charges; (6) the form of the Notice for Filing for Rate Increase the Utility intends to publish in Morgan County, Indiana; and (7) the form of a letter the Utility intends send to each of its customers. The above-referenced notices will be published or sent to customers, as appropriate, within ten (10) days of filing of this application. Proof of publication and a copy of completed customer notice letters will be filed with the Commission within fifteen (15) days of the date of filing this application.

The Utility is seeking authority to implement an across-the-board increase in its recurring monthly and per user rates, as well as to increase its non-recurring Reconnection Charge and New Tap Inspection Fee. The Utility also is seeking to implement a new Capacity Charge to be billed for each new connection to its system. The requested change in its rates and

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charges reflect an overall approximate percentage increase in the Utility's operating revenues of 77.19%. This proposed increase in operating revenues, however, will not cover the Utility's anticipated costs and allow it an opportunity to earn a fair return on its fair value rate base. Therefore, the Utility believes the requested increase in its operating revenues is less than it could justify in a future rate case before the Commission.

Sincerely,

A handwritten signature in black ink, appearing to read "Thomas M. Bruns". The signature is fluid and cursive, with the first name "Thomas" and last name "Bruns" clearly distinguishable.

Thomas M. Bruns
Vice President and Regional Manager

Enclosures

cc: Indiana Office of Utility Consumer Counselor

INDIANA UTILITY REGULATORY COMMISSION

WILDWOOD SHORES UTILITIES CORPORATION

D/B/A

Aqua Indiana, Inc.

Small Private Rural Sewer Utility

RATE CASE

Wildwood Shores Utilities Corporation
Camby, Indiana
COMPARATIVE BALANCE SHEET
as of September 30, 2006 AND September 30, 2005

Line No.		As Of 9/30/2006 Col. A	As Of 9/30/2005 Col. B
<u>ASSETS AND OTHER DEBITS</u>			
<u>UTILITY PLANT IN SERVICE</u>			
1.	Utility plant in service	\$ 157,691	\$ 156,689
2.	Less: Accumulated depreciation and amortization	(25,105)	(21,757)
3.	Net Utility Plant in Service	\$ 132,586	\$ 134,932
4.	Property held for future use-Net	-	-
5.	Construction work in progress	64,187	8,828
6.	Utility plant acquisition adjustment	-	-
7.	Less: Accumulated amortization of utility plant acquisition adjustment	-	-
8.	Miscellaneous utility plant	-	-
9.	Total Net Utility Plant	\$ 196,774	\$ 143,760
<u>OTHER PROPERTY AND INVESTMENTS</u>			
10.	Non-utility property	\$ -	\$ -
11.	Less: Accumulated depreciation	-	-
12.	Investments in associated companies	-	-
13.	Other investments	-	-
14.	Other special funds	-	-
15.	Total Other Property and Investments	\$ -	\$ -
<u>CURRENT AND ACCRUED ASSETS</u>			
16.	Cash	\$ -	\$ -
17.	Special deposits	-	-
18.	Customer accounts receivable	9,251	6,981
19.	Other accounts receivable	1,800	-
20.	Accounts receivable from associated companies	-	-
21.	Accumulated provision for uncollectible accounts-Credit	(1,947)	(514)
22.	Plant materials and supplies	-	-
23.	Prepayments	-	-
24.	Interest and dividends receivable	-	-
25.	Accrued utility revenues	-	-
26.	Miscellaneous current and accrued assets	(99,818)	(31,672)
27.	Total Current and Accrued Assets	\$ (90,714)	\$ (25,206)
<u>DEFERRED DEBITS</u>			
28.	Please detail	\$ -	\$ -
29.	Total Assets and Other Debits	\$ 106,061	\$ 118,556

Wildwood Shores Utilities Corporation
Camby, Indiana
COMPARATIVE BALANCE SHEET
as of September 30, 2006 AND September 30, 2005

Line No.		As Of 9/30/2006 Col. A	As Of 9/30/2005 Col. B
<u>LIABILITIES AND OTHER CREDITS</u>			
<u>EQUITY CAPITAL</u>			
1.	Proprietary capital	\$ -	\$ -
2.	Common stock issued	(138,976)	(138,976)
3.	Preferred stock issued	-	-
4.	Other paid-in capital	7,059	-
5.	Retained earnings	23,145	23,997
6.	Total Equity Capital	<u>\$(108,772)</u>	<u>\$(114,979)</u>
<u>LONG-TERM DEBT</u>			
7.	Bonds	\$ -	\$ -
8.	Advances from associated companies	-	-
9.	Other long-term debt	-	-
10.	Total Long-Term Debt	<u>\$ -</u>	<u>\$ -</u>
<u>CURRENT AND ACCRUED LIABILITIES</u>			
11.	Accounts payable	\$ -	\$ -
12.	Notes payable	-	-
13.	Accounts payable to associated companies	-	-
14.	Customer deposits	-	-
15.	Accrued taxes	4,858	(3,061)
16.	Accrued interest	-	-
17.	Matured long-term debt	-	-
18.	Miscellaneous current and accrued liabilities	-	-
19.	Total Current and Accrued Liabilities	<u>\$ 4,858</u>	<u>\$ (3,061)</u>
<u>DEFERRED CREDITS</u>			
20.	Unamortized premium on debt	\$ -	\$ -
21.	Advances for construction	-	-
22.	Other deferred credits	(2,146)	(515)
23.	Total Deferred Credits	<u>\$ (2,146)</u>	<u>\$ (515)</u>
<u>OPERATING RESERVES</u>			
24.	Property insurance reserves	\$ -	\$ -
25.	Injuries and damages reserves	-	-
26.	Pensions and benefits reserves	-	-
27.	Miscellaneous operating reserves	-	-
28.	Total Operating Reserves	<u>\$ -</u>	<u>\$ -</u>
<u>CONTRIBUTIONS IN AID OF CONSTRUCTION</u>			
29.	Contributions in aid of construction	\$ -	\$ -
30.	Less: Accumulated amortization	-	-
31.	Net Contributions in Aid of Construction	<u>\$ -</u>	<u>\$ -</u>
32.	Total Liabilities and Other Credits	<u>\$(106,061)</u>	<u>\$(118,556)</u>

Wildwood Shores Utilities Corporation
Camby, Indiana
NOTES TO THE FINANCIAL STATEMENTS

The space below is provided for important notes regarding the financial statements.

Wildwood Shores Utilities Corporation
Camby, Indiana
ANALYSIS OF UTILITY PLANT IN SERVICE
FROM October 1, 2004 TO September 30, 2006

Line No.		10/1/2004					9/30/2005					9/30/2006
		Beginning Balance	Additions	Retirements	Other		Year End Balance	Additions	Retirements	Other		Balance at End of Test Year
		Col. A	Col. B	Col. C	Col. D		Col. E	Col. F	Col. G	Col. H		Col. I
<u>UTILITY PLANT</u>												
1.	Organization	\$ 71,148	\$ -	\$ -	\$ -		\$ 71,148	\$ -	\$ -	\$ -		\$ 71,148
2.	Franchises	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -		\$ -
3.	Land and land rights	\$ 7,165	\$ -	\$ -	\$ -		\$ 7,165	\$ -	\$ -	\$ -		\$ 7,165
4.	Structures and improvements	\$ 25,868	\$ -	\$ -	\$ -		\$ 25,868	\$ -	\$ -	\$ -		\$ 25,868
5.	Collection sewers-Force	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -		\$ -
6.	Collection sewers-Gravity	\$ -	\$ 22,902	\$ -	\$ -		\$ 22,902	\$ -	\$ -	\$ -		\$ 22,902
7.	Special collection structures	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -		\$ -
8.	Services to customers	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -		\$ -
9.	Flow measuring devices	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -		\$ -
10.	Flow measuring installations	\$ -	\$ -	\$ -	\$ -		\$ -	\$ 1,002	\$ -	\$ -		\$ 1,002
11.	Receiving wells	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -		\$ -
12.	Treatment and disposal equipment	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -		\$ -
13.	Plant sewers	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -		\$ -
14.	Outfall sewer lines	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -		\$ -
15.	Other plant & miscellaneous equipment	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -		\$ -
<u>GENERAL PLANT</u>												
16.	Office furniture and equipment	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -		\$ -
17.	Transportation equipment	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -		\$ -
18.	Stores equipment	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -		\$ -
19.	Tools, shop and garage equipment	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -		\$ -
20.	Laboratory equipment	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -		\$ -
21.	Power operated equipment	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -		\$ -
22.	Communication equipment	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -		\$ -
23.	Miscellaneous equipment	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -		\$ -
24.	Other tangible property	\$ 29,606	\$ -	\$ -	\$ -		\$ 29,606	\$ -	\$ -	\$ -		\$ 29,606
25.	Total Utility Plant in Service	\$ 133,787	\$ 22,902	\$ -	\$ -		\$ 156,689	\$ 1,002	\$ -	\$ -		\$ 157,691

Wildwood Shores Utilities Corporation
Camby, Indiana

ANALYSIS OF ACCUMULATED PROVISION FOR DEPRECIATION
FROM October 1, 2004 TO September 30, 2006

Line
No.

1.	BALANCE October 1, 2004 (1)	\$ 13,701
2.	Charged to depreciation expense	4,274
3.	Salvage	
4.	Retirements	
5.	Cost of removal	
6.	Adjustments *	3,782
7.	BALANCE September 30, 2005 (2)	<u>\$ 21,757 (4)</u>
8.	Charged to depreciation expense	3,348
9.	Salvage	-
10.	Retirements	-
11.	Cost of removal	-
12.	Adjustments *	<u>-</u>
13.	BALANCE September 30, 2006 (3)	<u><u>\$ 25,105 (5)</u></u>

- (1) This should be the date of the beginning of the first year.
(2) This should be the date of the end of the first year
(3) This should be the date of the end of the test year.
(4) This amount should agree with the amount on Page 2, Column B, Line 2.
(5) This amount should agree with the amount on Page 2, Column A, Line 2.

* Please detail

Wildwood Shores Utilities Corporation
Camby, Indiana
ANALYSIS OF RETAINED EARNINGS
FROM October 1, 2004 TO September 30, 2006

Line
No.

1.	<u>BALANCE October 1, 2004</u> (1)	\$ 3,753
2.	Balance transferred from income	20,244
3.	Common stock dividends	
4.	Preferred stock dividends	
5.	Adjustments *	-
6.	<u>BALANCE September 30, 2005</u> (2)	<u>\$ 23,997</u> (4)
7.	Balance transferred from income	(852)
8.	Common stock dividends	
9.	Preferred stock dividends	-
10.	Adjustments *	
11.	<u>BALANCE September 30, 2006</u> (3)	<u>\$ 23,145</u> (5)

(1) This should be the date of the beginning of the first year.

(2) This should be the date of the end of the first year

(3) This should be the date of the end of the test year.

(4) This amount should agree with the amount on Page 4, Column B, Line 5.

(5) This amount should agree with the amount on Page 4, Column A, Line 5.

* Please detail

Wildwood Shores Utilities Corporation
Camby, Indiana

COMPARATIVE INCOME STATEMENT

FOR THE YEARS ENDED September 30, 2006 AND September 30, 2005

Line No.		Year Ended 09/30/06 <u>Col. A</u>	Year Ended 09/30/05 <u>Col. B</u>
	<u>OPERATING REVENUES</u>		
1.	Sewer revenues	\$ 44,413	\$ 40,985
2.	Other operating revenues	338	523
3.	Total Operating Revenues	<u>\$ 44,751</u>	<u>\$ 41,508</u>
	<u>OPERATING EXPENSES</u>		
4.	Operation and maintenance expenses	\$ 43,127	\$ 52,570
5.	Depreciation expense	3,348	4,274
6.	Amortization expense	-	-
7.	Taxes other than income taxes	3,238	5,611
8.	Income taxes	(5,703)	(3,503)
9.	Total Operating Expenses	<u>\$ 44,010</u>	<u>\$ 58,952</u>
10.	Net Operating Income (Loss)	<u>\$ 741</u>	<u>\$ (17,444)</u>
	<u>OTHER INCOME AND DEDUCTIONS</u>		
11.	Revenue from merchandising jobbing and contract work	\$ -	\$ -
12.	Cost and expenses from merchandising jobbing and contract work	-	-
13.	Income from non-utility operations	-	(3,782)
14.	Interest income	-	-
15.	Allowance for funds used during construction	-	-
16.	Miscellaneous non-utility income and expenses	-	-
17.	Interest expense	111	982
18.	Total Other Income and Deductions	<u>\$ 111</u>	<u>\$ (2,800)</u>
19.	TAXES APPLICABLE TO OTHER INCOME AND DEDUCTIONS	<u>\$ -</u>	<u>\$ -</u>
20.	Net Income (Loss)	<u><u>\$ 852</u></u>	<u><u>\$ (20,244)</u></u>

Wildwood Shores Utilities Corporation
Camby, Indiana
COMPARATIVE DETAIL OF OPERATING REVENUES
FOR THE YEARS ENDED September 30, 2006 AND September 30, 2005

Line No.		Year Ended 09/30/06 Col. A	Year Ended 09/30/05 Col. B
	<u>OPERATING REVENUES</u>		
	<u>SEWER REVENUES</u>		
1.	Flat rate revenues	\$ 40,387	\$ 37,246
2.	Measured revenues	4,026	3,739
3.	Revenues from public authorities	-	-
4.	Revenues from other systems	-	-
5.	Interdepartmental revenues	-	-
6.	Total Sewer Revenues	<u>\$ 44,413</u>	<u>\$ 40,985</u>
	<u>OTHER OPERATING REVENUES</u>		
7.	Forfeited discounts	\$ -	\$ -
8.	Miscellaneous service revenues	-	-
9.	Sale of sludge	-	-
10.	Interdepartmental rents	-	-
11.	Other sewer revenues	338	523
12.	Total Other Operating Revenues	<u>\$ 338</u>	<u>\$ 523</u>
13.	Total Operating Revenues	<u>\$ 44,751</u>	<u>\$ 41,508</u>

Wildwood Shores Utilities Corporation
Camby, Indiana
COMPARATIVE DETAIL OF OPERATING EXPENSES
FOR THE YEARS ENDED September 30, 2006 AND September 30, 2005

Line No.		Year Ended 09/30/06 Col. A	Year Ended 09/30/05 Col. B
	<u>OPERATING EXPENSES</u>		
	<u>OPERATION AND MAINTENANCE EXPENSES</u>	\$ -	\$ -
1.	Salaries and wages-Employees	16,757	14,969
2.	Salaries and wages-Officers and directors		
3.	Employee pensions and benefits	3,028	5,197
4.	Sewage treatment expense		
5.	Purchased power	4,828	3,484
6.	Fuel for power production		
7.	Chemicals	1,310	204
8.	Materials and supplies	770	911
9.	Contractual services	9,952	25,072
10.	Rents		
11.	Transportation expense	3,375	634
12.	Insurance expense	450	(11)
13.	Regulatory commission expense		
14.	Bad debts expense	525	280
15.	Miscellaneous expense	2,132	1,830
16.	Total Operation and Maintenance Expenses	<u>\$ 43,127</u>	<u>\$ 52,570</u>
17.	DEPRECIATION EXPENSE	\$ 3,348	\$ 4,274
18.	AMORTIZATION EXPENSE		
	<u>TAXES OTHER THAN INCOME TAXES</u>		
19.	IURC Public Utility Fee		
20.	Property taxes	1,161	3,896
21.	Payroll taxes	1,609	1,715
22.	Other taxes and licenses	468	
23.	Total Taxes Other Than Income Taxes	<u>\$ 3,238</u>	<u>\$ 5,611</u>
	<u>INCOME TAXES</u>		
24.	Federal income taxes-Utility operating income-Current	\$ (6,246)	\$ (1,892)
25.	State income taxes-Utility operating income-Current	(1,088)	(396)
26.	Local income taxes-Utility operating income-Current		
27.	Federal income taxes-Deferred	1,739	(960)
28.	State income taxes-Deferred	(108)	(255)
29.	Local income taxes-Deferred		
30.	Deferred income tax credit		
31.	Investment tax credit deferred to future periods		
32.	Investment tax credit restored to operating income		
33.	Total Income Taxes	<u>\$ (5,703)</u>	<u>\$ (3,503)</u>
34.	INCOME FROM UTILITY PLANT LEASED TO OTHERS		
35.	GAIN OR LOSS FROM DISPOSITION OF UTILITY PROPERTY		\$ 3,782
	Total Operating Expenses	<u>\$ 44,010</u>	<u>\$ 62,734</u>

Wildwood Shores Utilities Corporation
Camby, Indiana
SCHEDULE OF PRESENT AND PROPOSED RATES

	Present Rates (1) Col. A	Tracker Col. B	Adjusted Present Rates Col. C	Proposed Rates Col. D	Increase	
					Amount Col. E	Percent Col. F
MEASURED RATES PER MONTH						
	\$ 0.00	\$ -	\$ 0.00	\$ 0.00	\$ -	0.00%
	\$ 0.00	\$ -	\$ 0.00	\$ 0.00	\$ -	0.00%
MINIMUM RATES PER MONTH						
	\$ 0.00	\$ -	\$ 0.00	\$ 0.00	\$ -	0.00%
	\$ 0.00	\$ -	\$ 0.00	\$ 0.00	\$ -	0.00%
FLAT RATE PER MONTH						
Single Family Residential per Month	\$ 27.00	\$ -	\$ 27.00	\$ 48.00	\$ 21.00	77.78%
	\$ 0.00	\$ -	\$ 0.00	\$ 0.00	\$ -	0.00%
OTHER CHARGES						
School Customers per school user*	\$ 0.62	\$ -	\$ 0.62	\$ 1.10	\$ 0.48	77.78%
Flat Rate when school in not in session per Month	\$ 43.40	\$ -	\$ 43.40	\$ 77.16	\$ 33.76	77.78%
NON-RECURRING RATES						
Reconnection Charge	\$ 100.00			At Actual Cost		
New Tap Inspection Fee	\$ 25.00			\$ 200.00		
Capacity Charge				\$ 2,800.00		

(1) Approved in Cause No.39471-U, Order dated May 5, 1993.

* Based on average daily attendance

Wildwood Shores Utilities Corporation
Camby, Indiana
PROFORMA OPERATING INCOME STATEMENT

Line No.	Twelve Months Ending 9/30/06		Adjusted Present Rates	Adjustments	Proforma Proposed Rates
	Test Year	Adjustments			
	Col. A	Col. B	Col. C	Col. D	Col. E
OPERATING REVENUES					
1.	Sewer revenues	\$ 44,413	\$ -	\$ 44,413	\$ 34,544
2.	Other operating revenues	\$ 338	-	338	-
3.	Total Operating Revenues	<u>\$ 44,751</u>	<u>\$ -</u>	<u>\$ 44,751</u>	<u>\$ 34,544</u>
OPERATING EXPENSES					
4.	Operation and maintenance expenses	\$ 43,127	\$ 11,667	\$ 54,794	\$ -
5.		-	-	-	-
6.		-	-	-	-
7.		-	-	-	-
8.		-	-	-	-
9.		-	-	-	-
10.		-	-	-	-
11.		-	-	-	-
12.		-	-	-	-
13.		-	-	-	-
14.	Depreciation expense	3,348	-	3,348	-
15.	Amortization expense	-	-	-	-
16.	Taxes other than income taxes	3,238	680	3,918	-
17.	Income Taxes	(5,703)	(2,110)	(7,813)	13,379
18.	Total Operating Expenses	<u>\$ 44,010</u>	<u>\$ 10,236</u>	<u>\$ 54,246</u>	<u>\$ 13,379</u>
19.	Net Operating Income (Loss)	<u>\$ 741</u>	<u>\$ (10,236)</u>	<u>\$ (9,495)</u>	<u>\$ 21,164</u>

Wildwood Shores Utilities Corporation
Camby, Indiana
DETAIL OF TYPICAL ADJUSTMENTS

(1) TO ADJUST OPERATING EXPENSES TO REFLECT A CHANGE IN THE COST OF TREATING SEWAGE.

Name of treatment processor: _____
Effective date of rate change: _____
Based on sewage treated for the twelve months ended: _____

Rate Blocks Col. A	Rates Charged		Number of Units Processed in Test Year Col. D	Expense at New Rates Col. E
	Prior Col. B	New Col. C		
First _____	\$ -	\$ -	_____	\$ -
Next _____	\$ -	\$ -	_____	\$ -
Next _____	\$ -	\$ -	_____	\$ -
All over _____	\$ -	\$ -	_____	\$ -
Fixed Charges	\$ -	\$ -		\$ -
Adjusted Cost of Sewage Treatment				\$ -
Less: Test Year Expense				-
Adjustment				<u>\$ -</u>

(2) TO ADJUST OPERATING EXPENSES TO REFLECT A CHANGE IN THE COST OF PURCHASED POWER

Name of electric utility: _____
Effective date of rate change: _____
Based on purchased power for the twelve months ended: _____

Rate Blocks Col. A	Electric Rates		Number of KWHs Purchased in Test Year Col. D	Expense at New Rates Col. E
	Prior Col. B	New Col. C		
First _____	\$ -	\$ -	_____	\$ -
Next _____	\$ -	\$ -	_____	\$ -
Next _____	\$ -	\$ -	_____	\$ -
Next _____	\$ -	\$ -	_____	\$ -
All over _____	\$ -	\$ -	_____	\$ -
Fixed Charges	\$ -	\$ -		\$ -
Adjusted Cost of Purchased Power				\$ -
Less: Test Year Expense				-
Adjustment-Increase				<u>\$ -</u>

Wildwood Shores Utilities Corporation
Camby, Indiana
DETAIL OF TYPICAL ADJUSTMENTS

(3) TO ADJUST OPERATING EXPENSES TO REFLECT AN INCREASE IN PAYROLL EXPENSE FOR SALARIED PERSONNEL.

Line No.	Employee Name Col. A	Employee Title Col. B	Proposed Salary Col. C	Less: Test Year Salary Col. D	Difference Col. E	Percent Expensed Col. F	Adjustment Col. E x F Col. G
1.	John Doe	Manager	\$ -	\$ -	\$ -	0.00%	\$ -
2.	XXXXXXXX	XXX	\$ -	\$ -	\$ -	0.00%	\$ -
3.	XXXXXXXX	XXX	\$ -	\$ -	\$ -	0.00%	\$ -
4.	XXXXXXXX	XXX	\$ -	\$ -	\$ -	0.00%	\$ -
5.	XXXXXXXX	XXX	\$ -	\$ -	\$ -	0.00%	\$ -
6.	Totals		\$ -	\$ -	\$ -		\$ -

(4) TO ADJUST OPERATING EXPENSES TO REFLECT AN INCREASE IN PAYROLL EXPENSE FOR HOURLY PERSONNEL.

Line No.	Employee Name Col. A	Employee Title Col. B	Test Year Reg. Hours Col. C	Test Year O.T. Hours Col. D	Proforma Hourly Rates		Proforma Hourly Wages			Difference Col. J	Percent Expense Col. K	Adjustment Col. J x K Col. L
					Regular Col. E	Overtime Col. F	Regular Col. G	Overtime Col. H	Total Col. I			
7.	XXXXXXXX	XXX	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	\$ -
8.	XXXXXXXX	XXX	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	\$ -
9.	XXXXXXXX	XXX	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	\$ -
10.	XXXXXXXX	XXX	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	\$ -
11.	XXXXXXXX	XXX	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	\$ -
12.	Totals						\$ -	\$ -	\$ -	\$ -		\$ -

Wildwood Shores Utilities Corporation
Camby, Indiana

DETAIL OF TYPICAL ADJUSTMENTS

(5) TO ADJUST OPERATING EXPENSES TO REFLECT THE COST OF THIS RATE CASE.

Estimated Rate Case Costs

Legal fees	\$ 25,000	
Accounting fees	10,000	
Engineering fees	-	
Other (Please detail)	-	
	<u> </u>	
Total Rate Case Costs	\$ 35,000	
Amortize over three years	<u> 3</u>	
Annual Expense	\$ 11,667	
Less: Test year expense	<u> -</u>	
Adjustment		<u><u>\$ 11,667</u></u>

(6) TO ADJUST OPERATING EXPENSES TO REFLECT THE CURRENT COST OF INSURANCE.

<u>Type of Insurance</u>	<u>Current Cost</u>	<u>Test Year Expense</u>	<u>Adjustment</u>
Workman's compensation	\$ -	\$ -	\$ -
Liability	-	-	-
Comprehensive	-	-	-
Property	-	-	-
Vehicle	-	-	-
Other (Please detail)	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Totals	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

(7) TO ADJUST OPERATING EXPENSES TO REFLECT PROFORMA F.I.C.A. TAXES.

Proforma taxable salaries and wages	\$ 16,757	
Times: Tax rate	<u>7.65%</u>	
Proforma F.I.C.A. Tax	\$ 1,282	
Less: Test year expense	<u>1,507</u>	
Adjustment		<u><u>\$ (225)</u></u>

Wildwood Shores Utilities Corporation
Camby, Indiana
DETAIL OF TYPICAL ADJUSTMENTS

(8) TO ADJUST OPERATING EXPENSES TO REFLECT PROFORMA PROPERTY TAXES.

Proforma property taxes	\$ 2,021	
Less: Test year expense	<u>1,161</u>	
Adjustment		<u>\$ 860</u>

(9) TO ADJUST OPERATING EXPENSES TO REFLECT THE PROFORMA IURC FEE
AT PRESENT RATES.

Proforma sewage revenues at present rates	\$ 44,413	
Less: Interdepartmental sales	-	
Less: Bad debts expense	<u>525</u>	
Applicable operating revenues	\$ 44,938	
Times: Rate	<u>0.0010</u>	
Proforma IURC Fee at present rates	\$ 45	
Less: Test year expense	<u> </u>	
Adjustment		<u>\$ 45</u>

(10) TO ADJUST OPERATING EXPENSES TO REFLECT PROFORMA INCOME TAXES
AT PRESENT RATES.

<u>AT PRESENT RATES</u>	<u>Federal</u> <u>Income Tax</u>	<u>State *</u> <u>Gross Tax</u>	<u>State Supp.</u> <u>Income Tax</u>	
Operating Revenues-Present rates	\$ 44,413	\$ 44,413	\$ 44,413	
O & M Expenses-Present rates	54,794	na	54,794	
Depreciation expense	3,348	na	3,348	
Taxes other than income taxes	3,918	na	3,918	
State income taxes	<u>(453)</u>	<u>na</u>		
Subtotal	\$ 61,179	\$ -	\$ 62,059	
Less: Synchronized interest	4,262	na	4,262	
Add: Deprec. on CIAC	-	na	-	
Taxable meals	-	na	-	
Property tax	<u>na</u>	<u>na</u>	<u>-</u>	
Taxable income	\$ (21,029)	\$ 44,413	\$ (21,909)	
Times: Rate	<u>35.00%</u>	<u>1.20%</u>	<u>4.50%</u>	
Tax at present rates	\$ (7,360)	\$ 533	\$ (986)	\$ (7,813)
Less: Test year expense				<u>(5,703)</u>
Adjustment				<u>\$ (2,110)</u>

Wildwood Shores Utilities Corporation
Camby, Indiana
DETAIL OF TYPICAL ADJUSTMENTS

(11) TO ADJUST OPERATING REVENUES TO REFLECT THE PROPOSED RATE INCREASE.

Pro-forma sewer revenues at present rates	\$ 44,413
Times: Percent of proposed rate increase	<u>77.78%</u>
Adjustment	<u>\$ 34,544</u>

(12) TO ADJUST OPERATING EXPENSES TO REFLECT THE PROPOSED RATE INCREASE.

IURC FEE

Proposed increase in revenues	\$ 34,544
Times: IURC Rate	<u>0.001</u>
Increase in IURC Fee	<u>\$ 35</u>

GROSS RECEIPTS TAX

Proposed increase in revenues	\$ 34,544
Times rate	<u>1.20%</u>
Increase in Gross Tax	<u>\$ 415</u>

STATE SUPPLEMENTAL INCOME TAX

Proposed increase in revenues	\$ 34,544
Less: IURC Fee increase	(35)
Gross Tax increase	<u>(415)</u>
Subtotal	\$ 34,095
Times rate	<u>4.50%</u>
Increase in State Tax	<u>\$ 1,534</u>

FEDERAL INCOME TAX

Proposed increase in revenues	\$ 34,544
Less: IURC Fee increase	(35)
Gross Tax increase	(415)
State Tax increase	<u>(1,534)</u>
Subtotal	\$ 32,560
Times rate	<u>35.00%</u>
Increase in Federal Tax	<u>\$ 11,396</u>

Adjustment	<u>\$ 13,379</u>
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Wildwood Shores Utilities Corporation

Camby, Indiana

CALCULATION OF RATE INCREASE

INCREASE IN OPERATING REVENUES REQUIRED

Fair Value Rate Base (1)

\$ 138,832

Times: Fair Value Rate of Return

8.41%

Proposed Utility Net Operating Income

\$ 11,669

Less: Pro-forma Net Operating Income at Present Rates

-9,495

Increase in Net Operating Income Required

\$ 21,164

Times: Revenue Conversion Factor

1.632173

Increase in Operating Revenues Required

\$ 34,544

PERCENT INCREASE IN REVENUES

Proposed Increase in Operating Revenues

34,544

Divided by: Operating Revenues at Present Rates

44,751

Percent Increase in Operating Revenues

77.19%

PERCENT INCREASE IN RATES

Proposed Increase in Operating Revenues

34,544

Divided by: Sewer Revenues at Present Rates

44,413

Percent Increase in Rates

77.78%

FAIR VALUE RATE BASE

Fair Value Finding in Company's Last Rate Order

\$ -

Plant additions: 19__

-

19__

-

Plant retirements: 19__

-

19__

-

Other adjustments: 19__ (please provide detail)

-

Estimated Fair Value Rate Base

\$ -

(1) For purposes of this filing only, Wildwood is using its Original Cost Rate Base as its Fair Value Rate Base.

Wildwood Shores Utilities Corporation
Camby, Indiana

REVENUE CONVERSION FACTOR

Line
No.

1.	Gross revenue change		100.0000%
2.	Less: Gross income tax	1.20%	-1.2000%
3.	IURC Fee	0.10%	-0.1000%
4.	Uncollectible accounts rate	0.00%	<u>0.0000%</u>
5.	Subtotal		98.7000%
	Less: State Income Taxes		
6.	(4.5% of Line 5)	4.50%	<u>-4.4415%</u>
7.	Subtotal		94.2585%
8.	Federal Income Taxes		
	(35% of Line 7)	35.00%	<u>-32.9905%</u>
9.	Total		<u>61.2680%</u>
10.	Revenue Conversion Factor		
	(1 divided by Line 9)		<u>1.632173</u>

Wildwood Shores Utilities Corporation
Camby, Indiana
RATE OF RETURN ON ORIGINAL COST

Line No.		Pro-forma Present Rates	Pro-forma Proposed Rates
	<u>ORIGINAL COST RATE BASE</u>		
1.	Utility plant in service	\$ 157,691	\$ 157,691
2.	Less: Accumulated depreciation	(25,105)	(25,105)
3.	Net utility plant in service	\$ 132,586	\$ 132,586
4.	Add: Materials and supplies inventory	\$ -	
5.	Working capital (1)	4,787	6,246
6.	Less: Contributions in aid of construction	-	-
7.	Original Cost Rate Base	<u>\$ 137,374</u>	<u>\$ 138,832</u>

	Pro-forma Present Rates	Pro-forma Proposed Rates
	<u>RATE OF RETURN ON ORIGINAL COST</u>	
8.	Net operating income	\$ (9,495) \$ 11,669
9.	Divided by: Original cost rate base	<u>137,374 138,832</u>
10.	Rate of Return on Original Cost	<u>-6.91% 8.41%</u>

	Pro-forma Present Rates	Pro-forma Proposed Rates
	<u>(1) WORKING CAPITAL-45 DAY METHOD</u>	
11.	Total O&M Expenses	\$ 43,127 \$ 54,794
12.	Less: Purchased power & water	4,828 4,828
13.	Sewage treatment expense	- -
14.	Subtotal	<u>\$ 38,299 \$ 49,966</u>
15.	Divide by: 8	<u>8 8</u>
16.	Working Capital	<u>\$ 4,787 \$ 6,246</u>

Wildwood Shores Utilities Corporation
Camby, Indiana
RETURN ON EQUITY-ORIGINAL COST
AT PRESENT RATES

Line

No. WEIGHTED COST OF CAPITAL

	<u>Type of Capital</u>	<u>Amount</u>	<u>Percent</u>	<u>Cost</u>	<u>Weighted Ave. Cost</u>
1.	Long-term debt		50.00%	6.14%	3.07%
2.	Common equity		50.00%	10.67%	5.34%
3.	Preferred equity	-	0.00%		0.00%
4.	Post-1970 ITC	-	0.00%		0.00%
5.	Pre-1971 ITC	-	0.00%	0.00%	0.00%
6.	Deferred taxes	-	0.00%	0.00%	0.00%
7.	Customer deposits	-	0.00%		0.00%
8.	Customer advances for construction	-	0.00%	0.00%	0.00%
9.	Totals	<u>\$ -</u>	<u>100.00%</u>		<u>8.41%</u>

CALCULATION OF POST-1970 ITC RATE

	<u>Type of Capital</u>	<u>Amount</u>	<u>Percent</u>	<u>Cost</u>	<u>Weighted Ave. Cost</u>
10.	Long-term debt	\$ -	50.00%	%	0.00%
11.	Common equity	-	50.00%	-	0.00%
12.	Preferred equity	-	0.00%	-	0.00%
13.	Totals	<u>\$ -</u>	<u>100.00%</u>		<u>0.00%</u>

CALCULATION SYNCHRONIZED INTEREST

	<u>Type of Capital</u>	<u>Amount</u>	<u>Percent</u>	<u>Cost</u>	<u>Weighted Ave. Cost</u>
14.	Long-term debt	\$ 69,416	50.00%	6.14%	3.07%
15.	Common equity	69,416	50.00%	10.67%	5.34%
16.	Preferred equity	-	0.00%		0.00%
17.	Pre-1971 ITC	-	0.00%	0.00%	0.00%
18.	Deferred taxes	-	0.00%	0.00%	0.00%
19.	Customer deposits	-	0.00%		0.00%
20.	Customer advances for construction	-	0.00%	0.00%	0.00%
21.	Totals	<u>\$ 138,832</u>	<u>100.00%</u>		<u>8.41%</u>
22.	Original Cost Rate Base		\$ 138,832.17		
23.	Times: Weighted cost of debt & customer deposits		<u>3.07%</u>		
24.	Synchronized Interest			<u>\$ 4,262.15</u>	

Wildwood Shores Utilities Corporation
Camby, Indiana
RETURN ON EQUITY-ORIGINAL COST
AT PROPOSED RATES

Line

No. WEIGHTED COST OF CAPITAL

	<u>Type of Capital</u>	<u>Amount</u>	<u>Percent</u>	<u>Cost</u>	<u>Weighted Ave. Cost</u>
1.	Long-term debt	\$ -	50.00%	6.14%	3.07%
2.	Common equity	-	50.00%	10.67%	5.34%
3.	Preferred equity	-	0.00%		0.00%
4.	Post-1970 ITC		0.00%		0.00%
5.	Pre-1971 ITC	-	0.00%	0.00%	0.00%
6.	Deferred taxes	-	0.00%	0.00%	0.00%
7.	Customer deposits	-	0.00%		0.00%
8.	Customer advances for construction	-	0.00%	0.00%	0.00%
9.	Totals	<u>\$ -</u>	<u>100.00%</u>		<u>8.41%</u>

CALCULATION OF POST-1970 ITC RATE

	<u>Type of Capital</u>	<u>Amount</u>	<u>Percent</u>	<u>Cost</u>	<u>Weighted Ave. Cost</u>
10.	Long-term debt	\$ -	0.00%	%	0.00%
11.	Common equity	-	0.00%	-	0.00%
12.	Preferred equity	-	0.00%	-	0.00%
13.	Totals	<u>\$ -</u>	<u>100.00%</u>		<u>0.00%</u>

Wildwood Shores Utilities Corp.

Small Private Rural Sewer Utility

Rate Case

FACILITY FACT SHEET

AQUA INDIANA

FACILITY FACT SHEET

Updated: February 14, 2007

Facility Name: Wildwood Shores Utility

Division: Indianapolis

Location: Camby, Indiana

Type: Water Wastewater X

Ownership: Investor Owned X Contract Operation Other

Customers Served: 85

Facility Capacity: 31,000 GPD

Description of Facility:

Class I Extended Aeration Package Plant. Tanks constructed of steel.

Describe Any Current Compliance Issues:

System experiences heavy I & I during rainfall events. Aged collection system is mostly clay tile, and manholes need rehabilitation. A study has just been performed and will guide manhole rehabilitation program. Although there are no Sanitary Sewer Overflows, the WWTP has difficulty meeting effluent limitations during rain events. Plant was rehabbed in 2006 to improve operations and to better deal with I & I events. A new 100,000 GPD plant has been designed and is to be built in the future.

Strategic Comments (Opportunities for Customer Growth, Expanded Territory, etc.):

Recently approved CTA expansion to nearly 6,000 acres will open additional service territory up for Aqua in this area adjacent to Marion County. There are 105 homes in need of sewer in a neighborhood contiguous to our CTA boundary (Wiser Addition). We are working with the Morgan County Commissioners to provide wastewater treatment for these homes. There is also a developer interested in building 24 homes just west of the WWTP. Addition of any customers would require an expansion to the WWTP. Recent discussions have been ongoing with other development interests for future residential subdivisions.

Annual Revenue (2006): \$44,179

Wildwood Shores Utilities Corp.

Small Private Rural Sewer Utility

BOARD RESOLUTION

**WILDWOOD SHORES UTILITIES CORP
SECRETARY'S CERTIFICATE**

The undersigned, the duly elected, qualified and acting Secretary of **WILDWOOD SHORES UTILITIES CORP**, an Indiana Corporation (the "Company"), does hereby certify that the following resolutions, authorizing the officers of the Company to file with the Indiana Utility Regulatory Commission a petition on behalf of the Company, is a true and correct copy of the resolutions duly adopted by the Sole Director of the Company on December 22, 2006 and that such resolution remains in full force and effect:

WHEREAS, the officers of the Company have caused a study and review of the sewer rates of the Company in its service territory in and around Morgan County, Indiana to be completed, together with its overall financial affairs, and the results of such study indicate that an increase in the Company's rates are needed; and

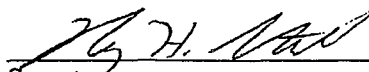
WHEREAS, the officers of the Company recommend an increase in sewer rates of the Company be sought before the Indiana Utility Regulatory Commission.

NOW, THEREFORE, be it:

RESOLVED: That the officers of the Company be, and they hereby are, authorized to file with the Indiana Utility Regulatory Commission, a petition on behalf of the Company requesting the approval of (i) new schedules of rates for sewer service by the Company to provide for increased rates and (ii) new or revised rules and regulations for service as the officers may deem appropriate, and that the petition therefore shall also seek all other appropriate relief; and

RESOLVED FURTHER: That the officers of the Company be, and they hereby are, authorized to do all such acts and things, execute and deliver all such documents and to incur and pay all such costs and expenses as may be necessary in order to fully effectuate the purpose and intent of these resolutions; and that all of the acts and doings of any officer of the Companies which is consistent with the purpose and intent of these resolutions, shall be, and the same hereby are, in all respects, ratified, approved and confirmed.

IN WITNESS WHEREOF, the undersigned has hereunto set his hand and affixed the seal of the Company this 11th day of January of 2007.



Secretary

(Corporate Seal)

Wildwood Shores Utilities Corp.

Small Private Rural Sewer Utility

CALCULATION OF CAPACITY CHARGE

Calculation of Capacity Charge
Wildwood Shores Utility Corporation
February 14, 2007

Estimated Cost of Planned Plant Improvements	\$	875,000	
Plant Capacity (when expanded)		100,000	gallons per day
EDU Equivalents (Capacity/310)		322.5	
Calculated Capacity Charge	\$	2,713	Original Cost/EDU Equivalents
Requested Capacity Charge	\$	2,800	Consistent with Wymberly Capacity Charge in Cause No. 42877U

Wildwood Shores Utilities Corp.

Small Private Rural Sewer Utility

PROPOSED TARIFF SHEET

Wildwood Shores Utilities Corporation
d/b/a
AQUA INDIANA, INC.
8275 Allison Pointe Trail, Suite 375
Indianapolis, IN 46250
317.577.1390

SCHEDULE OF SEWER RATES AND CHARGES

RATES FOR SINGLE FAMILY RESIDENTIAL CUSTOMERS

Sanitary Sewage Disposal Service, Flat Rate	\$ 48.00 per month
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RATE FOR SCHOOL CUSTOMERS

Unmetered Flat Monthly Rate, during school year	\$ 1.10 per school user, based on average daily attendance
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Unmetered Flat Monthly Rate, when school is not in session	\$ 77.16 per month
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NON-RECURRING RATES

Reconnection Charge	Actual cost incurred
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New Tap Inspection Fee	\$ 200.00
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LATE PAYMENT PENALTY FEE

A sewage disposal bill shall be rendered as a net bill. If the net bill is not paid within twenty-one (21) days after the bill is mailed, it shall become a delinquent bill and a late payment charge may be added in the amount of ten percent (10%) of the first three dollars (\$3.00) and three percent (3%) of the excess of three dollars (\$3.00).

CAPACITY CHARGE

Capacity Charge	\$2,800
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A capacity charge will be billed for each new connection to the system. One-half of the capacity charge is to be paid upon request for service and one-half to be paid upon connection of service.

Effective:

Wildwood Shores Utilities Corp.

Small Private Rural Sewer Utility

NOTICE FOR PUBLICATION

Notice of Filing for Rate Increase

Wildwood Shores Utilities Corporation

On March 1, 2007, Wildwood Shores Utilities Corporation, d/b/a Aqua Indiana, Inc. (the "Utility") filed an application for a change in rates with the Indiana Utility Regulatory Commission (the "Commission"). Specifically, the Utility is seeking authority to implement an across-the-board increase to its recurring monthly and per user rates, as well as to increase its non-recurring Reconnection Charge and New Tap Inspection Fee. The Utility also is seeking to implement a new Capacity Charge to be billed for each new connection to its system.

The Utility's requested change in its rates and charges reflect an overall approximate percentage increase in the Utility's operating revenues of 77.19%. The proposed increase in operating revenues, however, will not cover the Utility's anticipated costs and allow it an opportunity to earn a fair return on its fair value rate base. Therefore, the Utility believes the requested increase in its operating revenues is less than it could justify in a future rate case before the Commission.

This application for a change in the Utility's rates was filed under IC 8-1-2-61.5 and 170 IAC 14-1 in order to avoid the necessary costs of a hearing before the Commission. A public hearing by the Commission may be held, however, if any public or municipal corporation, or ten (10) individuals, firms, corporations, or associations, or ten (10) complainants of the Utility's single rate class affected by the proposed rate change, or the Indiana Office of Utility Consumer Counselor requests a formal public hearing by filing a written signed request with the Secretary, Utility Regulatory Commission, 302 West Washington Street, Room E306, Indianapolis, Indiana 46204. The written request must be received by the Commission within forty (40) days of the date specified above upon which the Utility's application for a change to its rates and charges was filed. There likely will be no hearing in the absence of such a written request.

Wildwood Shores Utilities Corp.

Small Private Rural Sewer Utility

CUSTOMER NOTICE LETTER



Aqua Indiana, Inc.
8275 Allison Pointe Trail
Suite 375
Indianapolis, IN 46250

T: 317.577.1390
F: 317.577.1080
www.aquaindiana.com

Dear Customer:

On March 1, 2007, Wildwood Shores Utilities Corporation, d/b/a Aqua Indiana, Inc. (the "Utility") filed an application for a change in rates with the Indiana Utility Regulatory Commission (the "Commission"). Specific rate changes the Utility is requesting authority to implement are as follows:

Customer Type	Current Rate	Proposed Rate	% Increase
Single Family Residential	\$27.00 per month	\$48.00 per month	77.7%
School (in session)	\$0.62 per user	\$1.10 per user	77.7%
School (not in session)	\$43.40 per month	\$77.16 per month	77.7%

In addition, the Utility is requesting authority to increase its non-recurring Reconnection Charge and New Tap Inspection Fee and to implement for the first time a Capacity Charge of \$2,800 to be billed for each new connection to its system.

The Utility's requested change in its rates and charges reflect an overall approximate percentage increase in the Utility's operating revenues of 77.19%. The proposed increase in operating revenues, however, will not cover the Utility's anticipated costs and allow it an opportunity to earn a fair return on its fair value rate base. Therefore, the Utility believes the requested increase in its operating revenues is less than it could justify in a future rate case before the Commission.

This application for a change in the Utility's rates was filed under IC 8-1-2-61.5 and 170 IAC 14-1 in order to avoid the necessary costs of a hearing before the Commission. A public hearing by the Commission may be held, however, if any public or municipal corporation, or ten (10) individuals, firms, corporations, or associations, or ten (10) complainants of the Utility's single rate class affected by the proposed rate change, or the Indiana Office of Utility Consumer Counselor requests a formal public hearing by filing a written signed request with the Secretary, Utility Regulatory Commission, 302 West Washington Street, Room E306, Indianapolis, Indiana 46204. The written request must be received by the Commission within forty (40) days of the date specified above upon which the Utility's application for a change to its rates and charges was filed. There likely will be no hearing in the absence of such a written request.

Sincerely,

Wildwood Shores Utilities Corporation